

Monthly Financial Report

November 2018



MAKE A
DIFFERENCE
MAKE IT
COUNT

CONTENTS

1.	Executive Summary	3
2.	Key Performance Indicators	3
3.	Statement of Comprehensive Income	4
4.	Statement of Financial Position	6
5.	Statement of Cash Flows	8
6.	Capital Expenditure	9
7.	Program and Project Update	9
8.	Investment & Borrowings Report	10
9.	Constrained Cash Reserves	11
10.	Redland Water Statements	12
11.	RedWaste Statements	12
12.	Appendix: Additional and Non-financial Information	13
13.	Glossary	14

1. EXECUTIVE SUMMARY

This monthly report illustrates the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 30 November 2018. The year to date and annual revised budget referred to in this report incorporates the changes from the budget capital carryovers adopted by Council on 22 August 2018.

Key Financial Highlights and Overview

Key Financial Results (\$000)	Annual Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(2,951)	10,813	10,106	(707)	-7%	✗
Recurrent Revenue	279,136	122,756	121,151	(1,605)	-1%	✗
Recurrent Expenditure	282,087	111,943	111,045	(898)	-1%	✓
Capital Works Expenditure	83,981	27,519	26,468	(1,051)	-4%	✓
Closing Cash & Cash Equivalents	148,305	147,572	152,546	4,974	3%	✓

Council reported a year to date operating surplus of \$10.1M which is unfavourable to the revised budget by \$707K mainly due to lower bulk water revenue offset by favourable variance in depreciation expense. The actual depreciation expense is lower than budget due to lower opening asset balances for 2018/2019 which include the results from the 2017/2018 asset revaluation decrement in roads and stormwater assets, as well as lower developer contributed assets. These end of year adjustments influenced the decrease in depreciation expense and contributed to the favourable variance in recurrent expenditure.

Capital grants, subsidies and contributions are below budget due to timing of developer cash contributions. Loss on disposal of non-current assets is mainly due to sale of fleet assets.

Council's capital works expenditure is below budget by \$1.0M mainly due to underspend in the fleet replacement program.

Council expects to adopt its first budget review in December 2018 which will address some of the variances mentioned above.

Cash balance is higher than budget due to the transfer of \$3.8M funds held in trust to the general reserve account following Council's resolution dated 8 August 2018 and settlement of \$3.5M loan provided to Redland Investment Corporation. This is offset by timing of general rates and utility charges received as well as \$1.3M in infrastructure charges also contributed to the higher cash balance. Constrained cash reserves represent 70% of the cash balance.

2. KEY PERFORMANCE INDICATORS

Key Performance Indicators

Financial Stability Ratios and Measures of Sustainability	Status Achieved ✓ Not achieved ✗	Annual Revised Budget	YTD November 2018	Target
Operating Surplus Ratio (%)	✓	-1.06%	8.34%	Between 0% and 10% (on average over the long-term)
Asset Sustainability Ratio (%)	✗	57.98%	55.41%	Greater than 90% (on average over the long-term)
Net Financial Liabilities (%)*	✓	-36.82%	-89.03%	Less than 60% (on average over the long-term)
Level of Dependence on General Rate Revenue (%)	✓	34.93%	39.53%	Less than 40%
Ability to Pay Our Bills - Current Ratio	✓	3.50	3.68	Between 1.1 & 4.1
Ability to Repay Our Debt - Debt Servicing Ratio (%)	✓	2.81%	6.47%	Less than or equal to 15%
Cash Balance \$M	✓	\$148.305M	\$152.546M	Greater than or equal to \$50M
Cash Balances - Cash Capacity in Months	✓	8.19	7.93	Greater than 3 months
Longer Term Financial Stability - Debt to Asset Ratio (%)	✓	1.34%	1.21%	Less than or equal to 10%
Operating Performance (%)	✓	22.19%	26.30%	Greater than or equal to 10%
Interest Coverage Ratio (%)**	✓	-0.67%	-0.81%	Less than 5%

* The net financial liabilities ratio exceeds the target range when current assets are greater than total liabilities (and the ratio is negative)

** The interest coverage ratio exceeds the target range when interest revenue is greater than interest expense (and the ratio is negative)

The annual revised budgeted balances for 2018/2019 include the changes from the budget carryovers adopted by Council on 22 August 2018. However, until the first budget review is adopted by Council, the balances will reconcile to the financial management system and may be different to the published carryover budget.

3. STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Recurrent revenue					
Rates charges	100,486	100,486	49,831	49,299	(532)
Levies and utility charges	146,618	146,618	61,386	59,514	(1,872)
Less: Pensioner remissions and rebates	(3,493)	(3,493)	(1,705)	(1,609)	96
Fees	13,673	13,673	6,276	6,197	(79)
Rental income	912	912	351	358	7
Interest received	4,289	4,289	1,803	2,007	204
Dividend received	1,000	1,000	-	-	-
Sales revenue	3,735	3,735	1,634	1,698	64
Other income	694	694	385	579	194
Grants, subsidies and contributions	11,223	11,223	2,795	3,108	313
Total recurrent revenue	279,136	279,136	122,756	121,151	(1,605)
Recurrent expenses					
Employee benefits	86,248	86,758	36,500	35,875	(625)
Materials and services	129,100	129,190	47,958	48,506	548
Finance costs	2,840	2,840	1,191	1,217	26
Depreciation and amortisation	63,505	63,505	26,460	25,474	(986)
Other expenditure	507	507	133	368	235
Net internal costs	(713)	(713)	(299)	(395)	(96)
Total recurrent expenses	281,487	282,087	111,943	111,045	(898)
OPERATING SURPLUS / (DEFICIT)	(2,351)	(2,951)	10,813	10,106	(707)
Capital revenue					
Grants, subsidies and contributions	32,501	32,727	7,334	6,282	(1,052)
Non-cash contributions	6,868	6,868	-	-	-
Total capital revenue	39,369	39,595	7,334	6,282	(1,052)
Capital expenses					
(Gain) / loss on disposal of non-current assets	289	101	104	1,326	1,222
Total capital expenses	289	101	104	1,326	1,222
TOTAL INCOME	318,505	318,731	130,090	127,433	(2,657)
TOTAL EXPENSES	281,776	282,188	112,047	112,371	324
NET RESULT	36,729	36,543	18,043	15,062	(2,981)
Other comprehensive income / (loss)					
Items that will not be reclassified to a net result					
Revaluation of property, plant and equipment	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	36,729	36,543	18,043	15,062	(2,981)

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS For the period ending 30 November 2018

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
Levies and utility charges					
Refuse collection rate charge	24,307	24,307	10,128	9,999	(129)
Special charges	723	723	603	604	1
SES separate charge	478	478	239	240	1
Environment separate charge	8,180	8,180	4,090	4,072	(18)
Separate charge landfill remediation	3,106	3,106	1,294	1,288	(6)
Wastewater charges	44,951	44,951	18,730	18,324	(406)
Water access charges	18,665	18,665	7,777	7,710	(67)
Water consumption charges	46,207	46,207	18,525	17,277	(1,248)
Total levies and utility charges	146,618	146,618	61,386	59,514	(1,872)

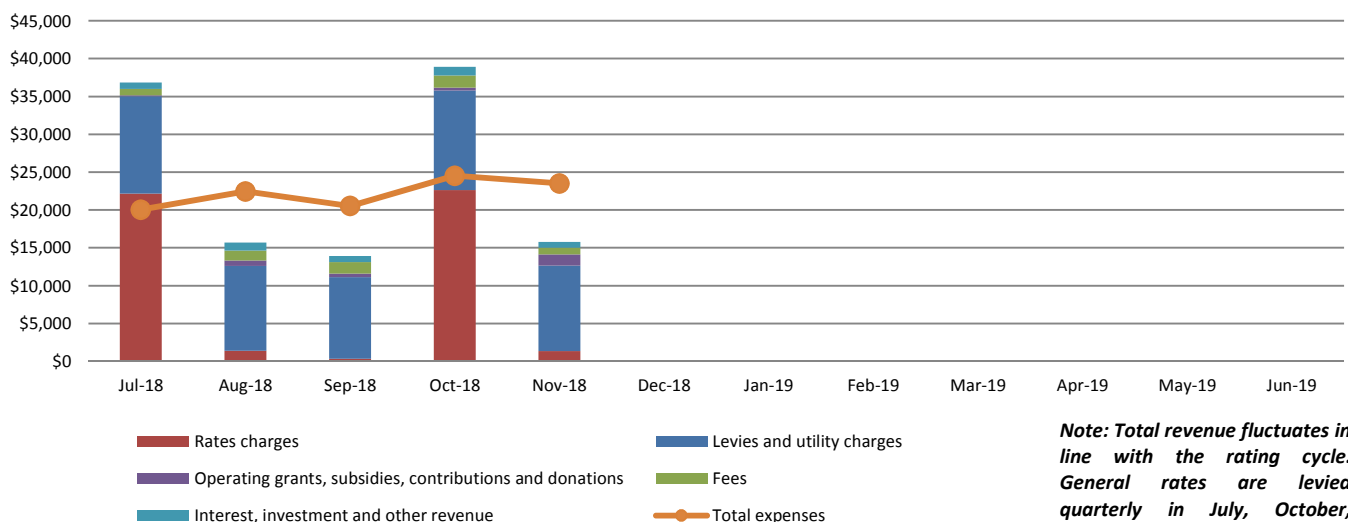
MATERIALS AND SERVICES ANALYSIS For the period ending 30 November 2018

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
Materials and services					
Contractors	33,755	33,765	11,173	12,254	1,081
Consultants	4,500	4,445	984	953	(31)
Other Council outsourcing costs*	16,902	17,083	6,637	7,167	530
Purchase of materials	48,229	48,249	18,683	18,241	(442)
Office administration costs	8,649	8,445	3,254	3,264	10
Electricity charges	5,786	5,786	2,466	2,222	(244)
Plant operations	4,190	4,173	1,734	1,511	(223)
Information technology resources	2,820	2,909	1,084	1,036	(48)
General insurance	1,423	1,422	588	538	(50)
Community assistance**	1,583	1,650	876	788	(88)
Other material and service expenses	1,263	1,263	479	532	53
Total materials and services	129,100	129,190	47,958	48,506	548

* Other Council outsourcing costs are various outsourced costs including refuse collection and disposal, waste disposal, legal services, traffic control, external training, valuation fees, etc.

** Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.

Actuals - Total Revenue and Expenses (\$000)



Note: Total revenue fluctuates in line with the rating cycle. General rates are levied quarterly in July, October, January and April.

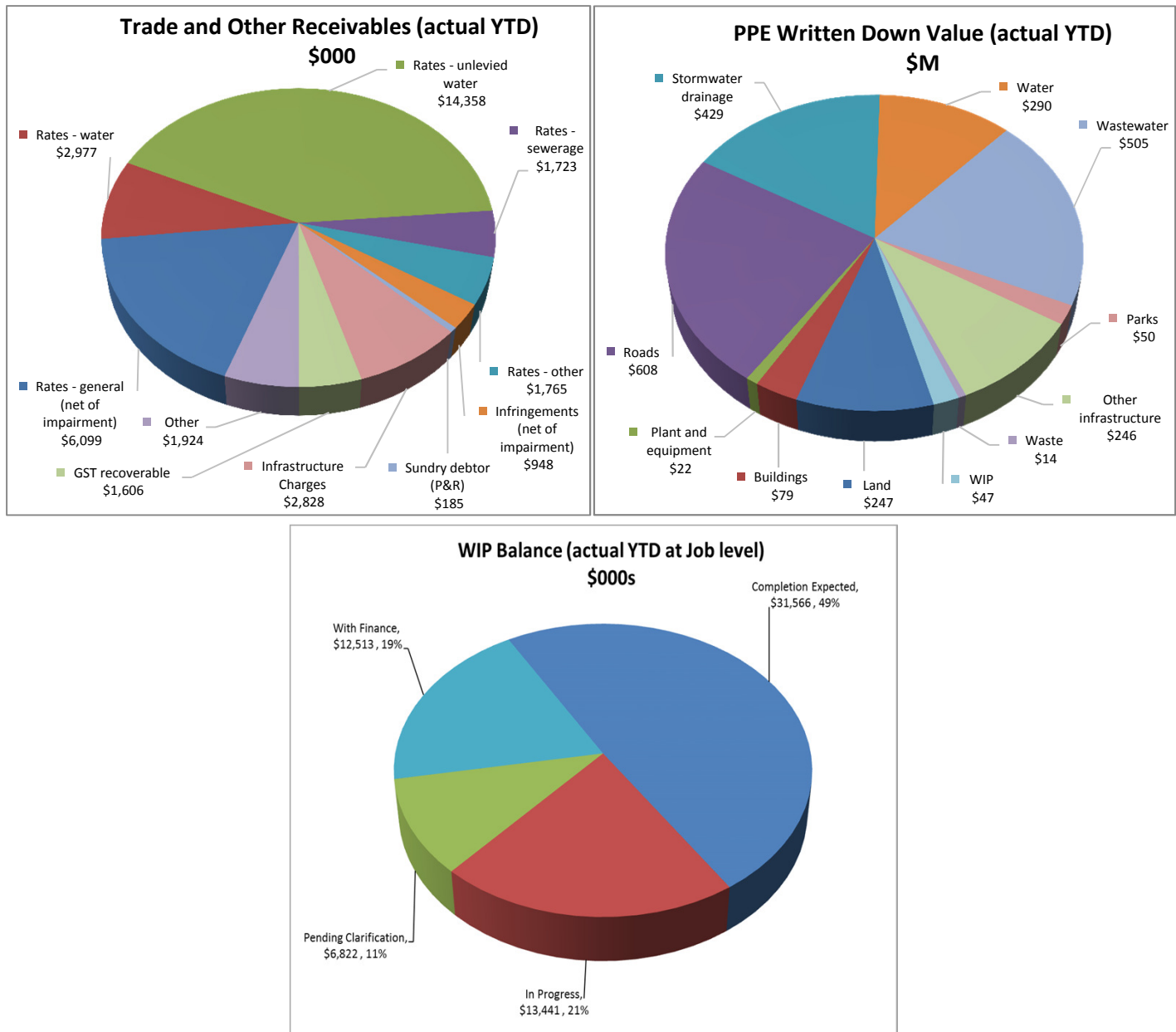
4. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 30 November 2018

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000
CURRENT ASSETS				
Cash and cash equivalents	167,263	148,305	147,572	152,546
Trade and other receivables	27,273	40,744	40,745	34,413
Inventories	556	1,108	1,108	962
Non-current assets held for sale	262	11,113	11,113	11,113
Other current assets	2,073	2,033	2,033	2,971
Total current assets	197,428	203,303	202,571	202,005
NON-CURRENT ASSETS				
Investment property	1,091	1,091	1,091	1,091
Property, plant and equipment	2,608,476	2,564,255	2,538,646	2,536,737
Intangible assets	826	1,014	1,582	1,970
Other financial assets	73	73	73	73
Investment in other entities	14,712	14,791	14,791	14,791
Total non-current assets	2,625,178	2,581,224	2,556,183	2,554,662
TOTAL ASSETS	2,822,606	2,784,527	2,758,754	2,756,667
CURRENT LIABILITIES				
Trade and other payables	40,840	31,435	21,417	23,536
Borrowings - current	7,713	7,728	7,728	7,728
Provisions - current	13,742	14,284	13,859	12,017
Other current liabilities	1,747	4,654	11,707	11,541
Total current liabilities	64,041	58,101	54,711	54,822
NON-CURRENT LIABILITIES				
Borrowings - non-current	29,651	29,520	25,635	25,635
Provisions - non-current	12,115	12,905	12,905	13,689
Total non-current liabilities	41,766	42,425	38,540	39,324
TOTAL LIABILITIES	105,807	100,526	93,251	94,146
NET COMMUNITY ASSETS	2,716,799	2,684,001	2,665,503	2,662,521
COMMUNITY EQUITY				
Asset revaluation surplus	1,070,838	1,003,168	1,003,168	1,003,168
Retained surplus	1,517,043	1,567,125	1,560,210	1,552,930
Constrained cash reserves	128,918	113,708	102,125	106,423
TOTAL COMMUNITY EQUITY	2,716,799	2,684,001	2,665,503	2,662,521

The annual revised budgeted balances for 2018/2019 include the changes from the budget carryovers adopted by Council on 22 August 2018. However, until the first budget review is adopted by Council, the balances will reconcile to the financial management system and may be different to the published carryover budget.

4. STATEMENT OF FINANCIAL POSITION - CONTINUED



PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT*

For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual Balance \$000
PPE movement				
Opening balance (includes WIP from previous years)	2,598,959	2,537,638	2,537,638	2,537,638
Acquisitions and WIP in year movement	73,748	90,848	27,519	26,134
Depreciation in year	(62,532)	(62,532)	(26,055)	(25,051)
Disposals	(1,699)	(1,699)	(456)	(1,795)
Other adjustments**	-	-	-	(189)
Closing balance	2,608,476	2,564,255	2,538,646	2,536,737

* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

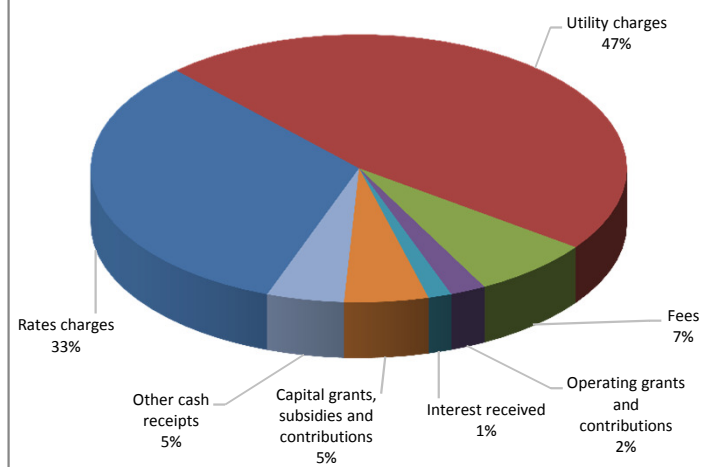
** Other adjustments include transfers between asset classes, revaluation adjustments, prior period adjustments and depreciation thereon.

5. STATEMENT OF CASH FLOWS

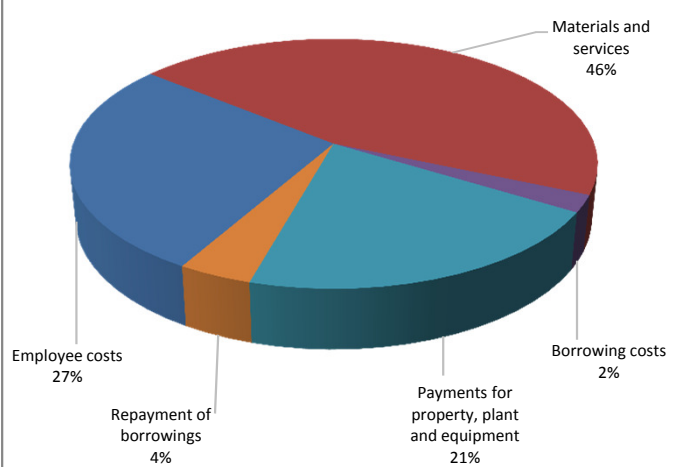
STATEMENT OF CASH FLOWS For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	261,712	261,712	124,859	125,157
Payments to suppliers and employees	(213,794)	(214,394)	(93,122)	(93,428)
	47,919	47,318	31,737	31,729
Interest received	4,289	4,289	1,803	2,007
Dividend received*	1,000	1,000	-	-
Rental income	912	912	351	358
Non-capital grants and contributions	11,223	11,223	2,795	3,054
Borrowing costs	(2,809)	(2,809)	(2,809)	(2,809)
Net cash inflow / (outflow) from operating activities	62,533	61,933	33,877	34,339
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(66,880)	(83,981)	(27,519)	(26,135)
Payments for intangible assets	-	-	-	(333)
Proceeds from sale of property, plant and equipment	1,410	1,598	353	469
Capital grants, subsidies and contributions	32,501	32,727	7,334	7,179
Other cash flows from investing activities	-	-	-	3,500
Net cash inflow / (outflow) from investing activities	(32,969)	(49,656)	(19,832)	(15,320)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds of borrowings	2,500	2,500	-	-
Repayment of borrowings	(5,035)	(5,035)	(5,035)	(5,035)
Net cash inflow / (outflow) from financing activities	(2,535)	(2,535)	(5,035)	(5,035)
Net increase / (decrease) in cash held	27,030	9,743	9,010	13,984
Cash and cash equivalents at the beginning of the year	140,234	138,562	138,562	138,562
Cash and cash equivalents at the end of the financial year / period	167,263	148,305	147,572	152,546

Cash Inflow (actual YTD)



Cash Outflow (actual YTD)

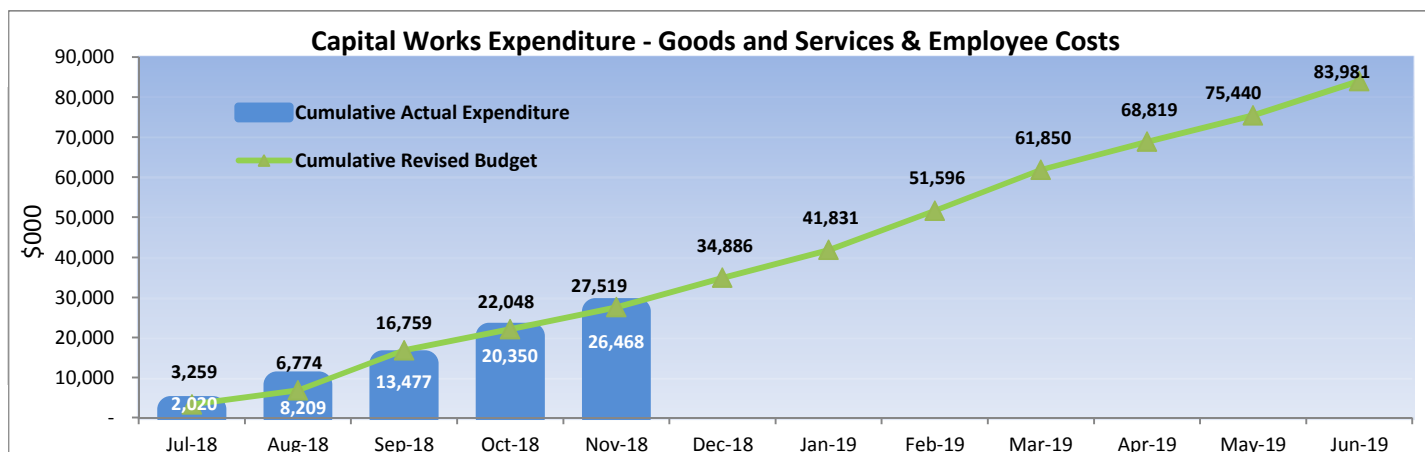


Total Cash Funding (Actual YTD)	141,724
Total Cash Funding (Annual Revised Budget)	315,961
% of Budget Achieved YTD	45%

Total Cash Expenditure (Actual YTD)	127,740
Total Cash Expenditure (Annual Revised Budget)	306,218
% of Budget Achieved YTD	42%

* Reclassified as operating cash flow to align with Annual Financial Statements and permitted by Australian Accounting Standard AASB 107 Statement of Cash Flows.

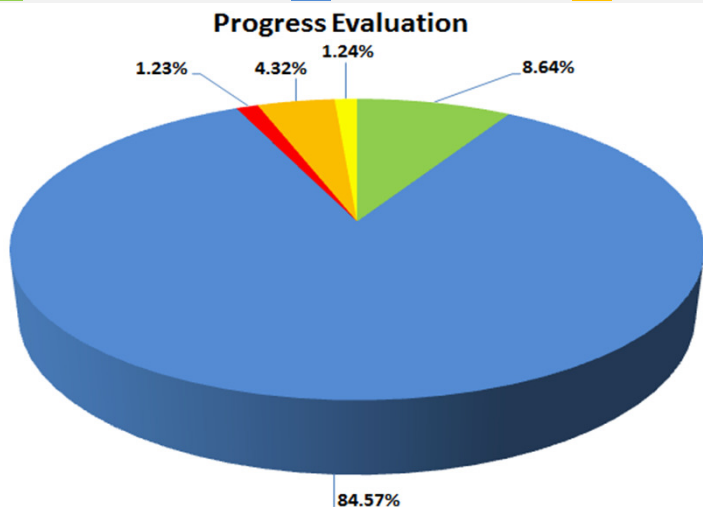
6. CAPITAL EXPENDITURE



	Annual Revised Budget \$'000	YTD Revised Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services	76,884	24,194	23,311	(883)
Capitalised employee costs	7,097	3,325	3,157	(168)
Total	83,981	27,519	26,468	(1,051)

7. PROGRAM AND PROJECT UPDATE

■ Favourable (budget under / schedule on track)	■ Meeting expectations (budget and schedule on track)	■ Within tolerance (one of budget or schedule not on track)	■ Unfavourable (budget and schedule not on track)	■ Others (schedule to be tracked)
--	---	---	--	---



Programs and projects are what Council uses to introduce change to achieve corporate outcomes. They allow new infrastructure, products, systems, procedures and services to be delivered. Projects may be undertaken on a standalone basis or as part of a program. Programs and projects may span multiple financial years.

Council is currently progressing 162 programs and projects.

	Annual Revised Budget \$'000	YTD Actual \$'000	Commitments \$'000
Total Programs and Projects in Progress			
Capital*	74,173	23,598	10,678
Operational	10,973	2,784	1,675

*The capital spend on programs and projects is a subset of Council's total capital budget which includes business as usual capital spend such as replacement of computers, fleet etc.

Notable Projects

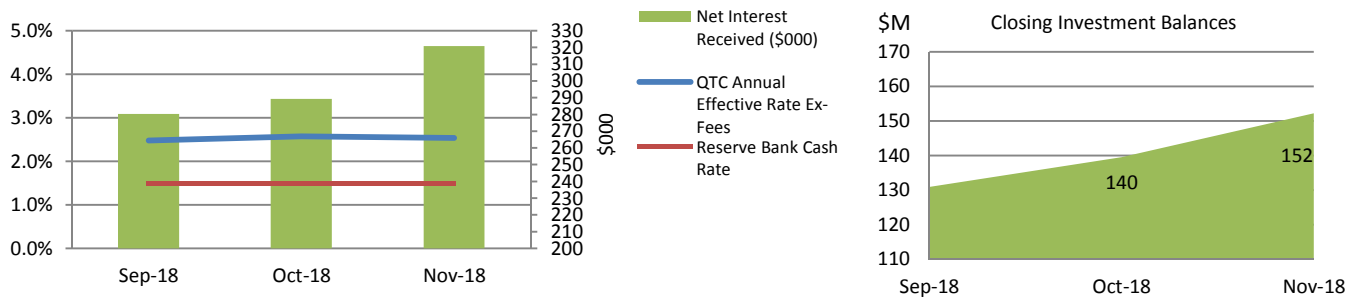
Financially significant programs and projects with an annual budget of more than \$1M constitute 22 programs and projects out of 162 and accounts for 67.41% of the total programs and projects budget. The status of two notable projects are as follows:

Project description	Progress
Moreton Bay Cycleway (MBC) program	This project is on track.
Increase safety for all traffic across the Redlands	This project is on track.

8. INVESTMENT & BORROWINGS REPORT

For the period ending 30 November 2018

INVESTMENT RETURNS - QUEENSLAND TREASURY CORPORATION (QTC)



Total Investment at End of Month was \$152.16M

All Council investments are currently held in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC).

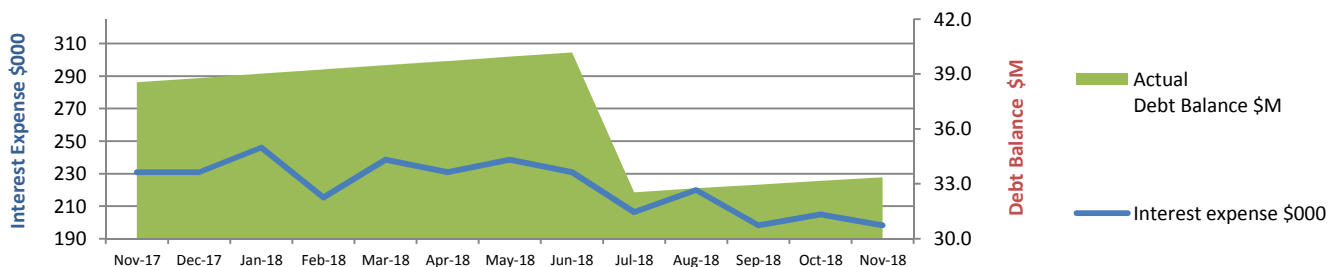
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle.

Note: the Reserve Bank reduced the cash rate down to 1.5% in the August 2016 sitting - this has not changed in subsequent months.

On a daily basis, cash surplus to requirements is deposited with QTC to earn higher interest as QTC is offering a higher rate than what is achieved from Council's transactional bank accounts. The current annual effective interest rate paid by QTC of 2.54% exceeds the Bloomberg AusBond Bank Bill Index (previously the UBS Bank Bill Index) of 1.91% as at the end of November 2018 in accordance with Corporate POL-3013. Term deposit rates are being monitored to identify investment opportunities to ensure Council maximises its interest earnings.

Council adopted its revised Investment Policy (POL-3013) in June 2018 for the 2018/2019 financial year

BORROWINGS AND BORROWING COSTS



The existing loan accounts were converted to fixed rate loans on 1 April 2016 following a QTC restructure of loans and policies. In line with Council's debt policy, debt repayment of \$7.84M, being \$5.03M principal and \$2.81M interest has been made *annually* in advance for 2018/2019 which will result in the loans being repaid approximately one year earlier.

The debt balance shows a decrease as the Annual Debt Service Payment (ADSP) was made during July 2018. Interest will accrue monthly on a daily balance until next ADSP in July 2019 which is reflected in the increasing debt balance.

Total Borrowings at End of Month were \$33.36M

General pool allocated to capital works is 99.42% and 0.58% is attributable to RedWaste.

Council adopted its revised Debt Policy (POL-1838) in June 2018 for the 2018/2019 financial year

9. CONSTRAINED CASH RESERVES

Reserves as at 30 November 2018	Purpose of reserve	Opening Balance	To Reserve	From Reserve	Closing Balance
		\$000	\$000	\$000	\$000
Special Projects Reserve:					
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	3,625	151	(9)	3,767
Red Art Gallery Commissions & Donations Reserve	Purchases of art work for the RCC art collection	7	-	(7)	-
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	-	1,489	(26)	1,463
Fleet Plant & Capital Equipment Reserve	To support the long term fleet replacement program	-	6,093	(1,265)	4,828
		3,632	7,733	(1,307)	10,058
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	7,324	819	(1,835)	6,308
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	2,192	129	-	2,321
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	10,107	3,920	-	14,027
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	9,222	924	(4)	10,142
Constrained Works Reserve-Capital Grants & Contributions	Unexpended capital grants and contributions received for specific projects	651	-	(78)	573
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	35,922	2,103	(1,610)	36,415
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	10,783	663	(18)	11,428
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	8,884	449	-	9,333
Constrained Works Reserve-Operating Grants & Contributions	Unexpended operating grants and contributions received for specific projects	919	-	(65)	854
Tree Planting Reserve	Acquisition and planting of trees on footpaths	88	15	(12)	91
		86,092	9,022	(3,622)	91,492
Separate Charge Reserve - Environment:					
Environment Charge Acquisition Reserve	Acquisitions of land and facilities to support or enhance environmental outcomes	234	610	-	844
Environment Charge Maintenance Reserve	Ongoing conservation and maintenance operations	1,708	3,462	(2,459)	2,711
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	-	240	(138)	102
		1,942	4,312	(2,597)	3,657
Special Charge Reserve - Other:					
Bay Island Rural Fire Levy Reserve	Pass on revenue collected from levy to the Bay Island Rural Fire Brigade	-	108	-	108
SMBI Translink Reserve	Offset payment made to the State Govt. to assist with transport service to the Bay Islands	(8)	483	(261)	214
		(8)	591	(261)	322
Special Charge Reserve - Canals:					
Aquatic Paradise Canal Reserve	Maintenance and repairs of Aquatic Paradise canals	743	4	-	747
Sovereign Waters Lake Reserve	Maintenance and repairs of Sovereign Lake	422	2	-	424
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	1,036	-	(762)	274
1718 Aquatic Paradise Canal Reserve	Service, facility or activity of works in respect of the canals of the Aquatic Paradise canal estate	(495)	-	-	(495)
1718 Sovereign Waters Lake Reserve	Service, facility or activity of works in respect of the lake	(56)	-	-	(56)
		1,650	6	(762)	894
TOTALS		93,308	21,664	(8,549)	106,423
		Closing cash and cash equivalents			152,546
		Reserves as percentage of cash balance			70%

10. REDLAND WATER STATEMENTS

REDLAND WATER SUMMARY OPERATING STATEMENT For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	112,745	112,745	46,250	44,699	(1,551)
Total expenses	66,297	66,297	25,765	26,063	298
Earnings before interest, tax and depreciation (EBITD)	46,448	46,448	20,485	18,636	(1,849)
Interest expense	15,352	15,352	6,396	6,396	-
Depreciation	23,228	23,228	9,678	9,725	47
Operating surplus / (deficit)	7,868	7,868	4,411	2,515	(1,896)

REDLAND WATER CAPITAL FUNDING STATEMENT For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	6,798	6,798	1,700	1,131	(569)
Net transfer (to) / from constrained capital reserves	(6,608)	(4,398)	(1,653)	(4,840)	(3,187)
Non-cash contributions	6,648	6,648	-	36	36
Funding from utility revenue	5,614	6,261	699	4,396	3,697
Total sources of capital funding	12,452	15,309	746	723	(23)
Contributed assets	6,648	6,648	-	-	-
Capitalised expenditure	5,804	8,661	746	723	(23)
Total application of capital funds	12,452	15,309	746	723	(23)

11. REDWASTE STATEMENTS

REDWASTE OPERATING STATEMENT For the period ending 30 November 2018

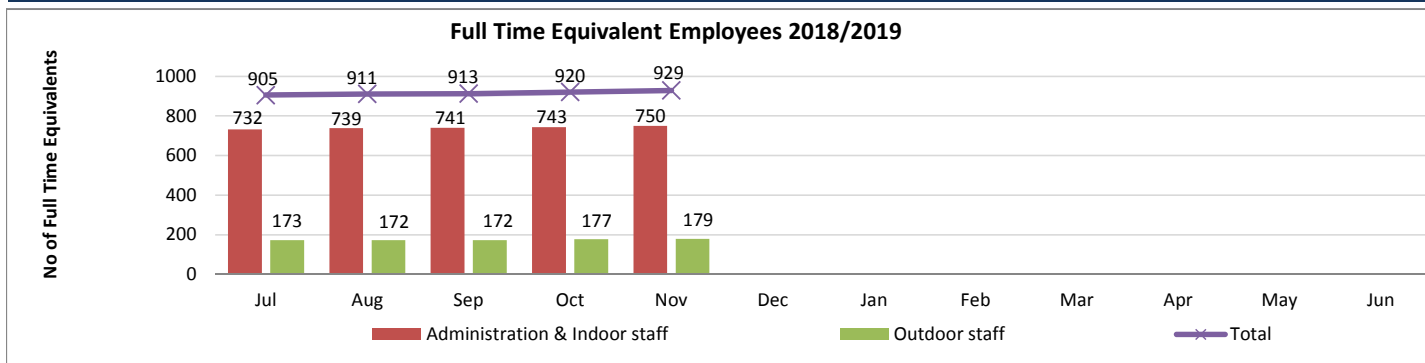
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	25,901	25,901	10,802	10,774	(28)
Total expenses	19,155	19,155	7,932	7,948	16
Earnings before interest, tax and depreciation (EBITD)	6,746	6,746	2,870	2,826	(44)
Interest expense	30	30	13	11	(2)
Depreciation	216	216	90	143	53
Operating surplus / (deficit)	6,500	6,500	2,767	2,672	(95)

REDWASTE CAPITAL FUNDING STATEMENT For the period ending 30 November 2018

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Non-cash contributions	-	-	-	-	-
Funding from utility revenue	547	547	225	217	(8)
Total sources of capital funding	547	547	225	217	(8)
Capitalised expenditure	456	456	119	112	(7)
Loan redemption	91	91	106	105	(1)
Total application of capital funds	547	547	225	217	(8)

12. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



November 2018: Headcount	Employee Type						
Department Level	Casual	Contract of Service	Perm Full	Perm Part	Temp Full	Temp Part	Total
Office of CEO	3	2	30	4	7	2	48
Organisational Services	11	6	165	18	24	6	230
Community and Customer Services	39	5	237	62	32	11	386
Infrastructure and Operations	31	7	309	14	25	2	388
Total	84	20	741	98	88	21	1,052

Note: Full Time Equivalent Employees includes all full time employees at a value of 1 and all other employees, at a value less than 1. The table above demonstrates the headcount by department (excluding agency staff) and does not include a workload weighting. It includes casual staff in their non-substantive roles as at the end of the period where relevant.

Overdue Rates Debtors

Days Overdue	Nov-18	% Overdue	Nov-17	% Overdue	\$ Variance	% Variance	Comment
0 - 30	\$6,468,810	4.72%	\$6,051,569	4.70%	\$417,241	0.02%	Monitoring of overdue rates will be continuously implemented. The Revenue Collection team has been running a campaign at collecting accounts overdue between 2 and 4 quarters which aims to collect \$1M during this quarter. This campaign has recovered \$442,446 between 13 November and 3 December.
31 - 60	\$231	0.00%	\$2,385	0.00%	-\$2,154	0.00%	
61 - 90	\$749	0.00%	\$1,949	0.00%	-\$1,200	0.00%	
91 - 180	\$2,190,102	1.60%	\$1,811,835	1.41%	\$378,267	0.19%	
> 180	\$4,070,288	2.97%	\$3,012,062	2.34%	\$1,058,226	0.63%	
Total	\$12,730,180	9.29%	\$10,879,800	8.45%	\$1,850,380	0.84%	

13. GLOSSARY

Key Terms

Written Down Value:

This is the value of an asset after accounting for depreciation or amortisation, and it is also called book value or net book value.

Work In Progress:

This represents an unfinished project that costs are still being added to. When a project is completed, the costs will be either capitalised (allocated to relevant asset class) or written off.

Definition of Ratios

Operating Surplus Ratio*:

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes

Net Operating Surplus

Total Operating Revenue

Asset Sustainability Ratio*:

This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out

Capital Expenditure on Replacement of Infrastructure Assets (Renewals)

Depreciation Expenditure on Infrastructure Assets

Net Financial Liabilities*:

This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues

Total Liabilities - Current Assets

Total Operating Revenue

Level of Dependence on General Rate Revenue:

This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)

General Rates - Pensioner Remissions

Total Operating Revenue - Gain on Sale of Developed Land

Current Ratio:

This measures the extent to which Council has liquid assets available to meet short term financial obligations

Current Assets

Current Liabilities

Debt Servicing Ratio:

This indicates Council's ability to meet current debt instalments with recurrent revenue

Interest Expense + Loan Redemption

Total Operating Revenue - Gain on Sale of Developed Land

Cash Balance - \$M:

Cash balance includes cash on hand, cash at bank and other short term investments.

Cash Held at Period End

Cash Capacity in Months:

This provides an indication as to the number of months cash held at period end would cover operating cash outflows

Cash Held at Period End

[[Cash Operating Costs + Interest Expense] / Period in Year]

Longer Term Financial Stability - Debt to Asset Ratio:

This is total debt as a percentage of total assets, i.e. to what extent will our long term debt be covered by total assets

Current and Non-current loans

Total Assets

Operating Performance:

This ratio provides an indication of Council's cash flow capabilities

Net Cash from Operations + Interest Revenue and Expense

Cash Operating Revenue + Interest Revenue

Interest Coverage Ratio:

This ratio demonstrates the extent to which operating revenues are being used to meet the financing charges

Net Interest Expense on Debt Service

Total Operating Revenue

* These targets are set to be achieved on average over the longer term and therefore are not necessarily expected to be met on a monthly basis.